



What to Expect from the New Unemployment Insurance Law **For Unemployment Insurance Recipients (Revised 7/1/11)**

The Indiana General Assembly passed a new law making several changes to unemployment insurance. These changes will take place in phases. They are detailed below in order of when they take effect.

NO CHANGES TO CURRENTLY UNEMPLOYED HOOSIERS

Those currently receiving unemployment benefits will continue to receive the same weekly benefit amount. The new law will not affect your eligibility or benefits.

Changes to Eligibility – July 1, 2011

On or after July 1, 2011, the following individuals who become unemployed will not be eligible for benefits:

- People who work on an on-call or as-needed basis (*when they are offered work for the week*)
- Workers employed at a business during a planned short-term shutdown
- Employees of head start programs who are on planned breaks such as summer vacation.

Pension, Retirement, Annuity Distributions– July 1, 2011

Beginning July 1, 2011, distributions from pension, retirement or annuity plans will not be counted as "deductible income" if the money is used to satisfy a severe financial hardship resulting from an unforeseeable emergency due to events beyond your control. If this money is not used to satisfy a severe financial hardship, a dollar-for-dollar deduction will be taken from your weekly benefit payment.

Changes to Eligibility – October 1, 2011

On or after October 1, 2011, employees who accept payment in exchange for voluntarily resigning or retiring are no longer eligible for unemployment insurance.

Changes to Severance Pay – October 1, 2011

Beginning October 1, 2011, any amount received in severance pay will be deducted from weekly unemployment insurance benefits.

- For example: If someone is eligible for \$300 a week in UI benefits and receives \$200 a week in severance pay, the severance pay will be deducted from their weekly UI benefit. They will collect \$200 in severance pay and \$100 in UI benefits.

New Tax Withholding Options - January 1, 2012

Beginning January 1, 2012, individuals may choose to have state and local taxes withheld from their weekly unemployment insurance benefits.

Changes to Benefit Calculation – July 1, 2012

New claims filed on or after July 1, 2012 will be calculated based on annual income. The maximum weekly benefit amount will remain \$390.